

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA

DOCKET NO. 1997-294-E - ORDER NO. 2008-424

JUNE 17, 2008

IN RE: Request for Approval of a Contract for	)	ORDER APPROVING
Electric Service between South Carolina	)	CONTRACT
Electric & Gas Company and Owen Electric	)	AMENDMENT
Steel of South Carolina d/b/a CMC Steel	)	
f/k/a SMI Steel	)	

This matter comes before the Public Service Commission of South Carolina (the "Commission") on the request of South Carolina Electric & Gas Company ("SCE&G" or the "Company") for approval of an amendment ("Amendment") to the contract for electric service between the Company and Owen Electric Steel of South Carolina d/b/a CMC Steel f/k/a SMI Steel ("CMC Steel"). SCE&G currently serves CMC Steel's plant containing its arc furnace located in Cayce, South Carolina pursuant to an Interruptible Service Agreement. This contract was originally approved by the Commission in Order No. 97-696, dated August 12, 1997, and Order No. 97-825, dated September 24, 1997, in Docket 97-294-E. Thereafter, the Commission approved an amendment to the contract in Order No. 2005-345, dated June 20, 2005. SCE&G now seeks approval to further amend this contract to modify the terms and rates stated therein.

SCE&G also requests that the Commission find that the Amendment contains highly confidential and sensitive information which should be protected and issue a protective order barring the disclosure of the Amendment under the Freedom of

Information Act, S.C. Code Ann. §§ 30-4-10 *et seq.*, S.C. Code Ann. Regs. 103-804(S)(1), or any other provision of law, except in redacted form. SCE&G states in its request that certain provisions of the Amendment contain commercially sensitive and proprietary information. SCE&G also states that these facts in light of the highly competitive nature of the steel industry support designating this document as confidential.

Based upon a careful examination of the Amendment and SCE&G's request, we find the Amendment to be fair and reasonable and hereby approve it as filed with an effective date of October 9, 2007, the date the Amendment was signed by SCE&G and CMC Steel. Further, based upon SCE&G's assertions and the Commission's careful examination of the terms of the Amendment, the Commission finds that the Amendment contains commercially sensitive information and that the proprietary nature of certain provisions of the Amendment coupled with the highly competitive nature of the steel industry support the designation of this document as confidential.

The South Carolina Freedom of Information Act ("FOIA") allows proprietary business information that meets the definition of "trade secrets" to be exempt from disclosure. S.C. Code Ann. Section 30-4-40(a)(1) states that matters which may be exempt from FOIA include: "(1) Trade secrets, which are defined as unpatented, secret, commercially valuable plans, appliances, formulas, or processes .... Trade secrets also include, for those public bodies who market services or products in competition with others, feasibility, planning, and marketing studies, and evaluations and other materials which contain references to potential customers, competitive information or evaluation."

Further, pursuant to 26 S.C. Code Ann. Regs 103-804(S)(2), it is within the Commission's discretion to issue an order protecting a document from public disclosure.

Based upon a review of the information that SCE&G seeks to protect, we find that the information contained in the Amendment falls within the definition of materials which may be exempted from disclosure under FOIA. Because of the potential harm to SCE&G's business and practices, we find a protective order should be issued protecting the redacted information from public disclosure. Further, based upon SCE&G's assertions and the Commission's careful examination of the terms of the Amendment, the Commission agrees with SCE&G and so finds that the Amendment is highly confidential and commercially sensitive.

We approve the Amendment and grant confidentiality as requested. It appears that approval of the Amendment is in the public interest. The commercial sensitivity and proprietary nature of certain provisions of the Amendment, as well as the highly competitive nature of the industry in which SCE&G operates, dictates that the Amendment in question be received in its original form under seal for Commission review and be kept confidential.

IT IS THEREFORE ORDERED THAT:

1. The Amendment to the contract between South Carolina Electric & Gas Company and Owen Electric Steel of South Carolina d/b/a CMC Steel f/k/a SMI Steel is fair and reasonable and is hereby approved.

2. The request of SCE&G for confidential treatment is granted. Accordingly, the Amendment shall be declared confidential, shall be afforded confidential treatment,

and shall be protected from public disclosure pursuant to the provisions of S.C. Code Ann. Section 30-4-40(a)(1), 26 S.C. Code Ann. Regs 103-804(S)(2) and other applicable law. A redacted version of the Agreement will be made available for public review.

3 This Order shall remain in full force and effect until further Order of the Commission.

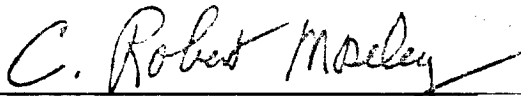
BY ORDER OF THE COMMISSION:



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G. O'Neal Hamilton, Chairman

ATTEST:



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C. Robert Moseley, Vice Chairman

(SEAL)